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FISCAL IMPACT STATEMENT

LS 6918

BILL NUMBER: HB 1290

NOTE PREPARED: Jan 30, 2008

BILL AMENDED: Jan 28, 2008

SUBJECT: Older Youth Foster Care.

FIRST AUTHOR: Rep. Avery

FIRST SPONSOR: Sen. C. Lawson

BILL STATUS: As Passed House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides that an individual who received foster care when the individual was less than 18 years of age may choose to receive older youth foster care until the individual reaches 21 years of age if the individual is: (1) working; (2) attending a vocational program; or (3) attending an educational program.

The bill provides that the Division of Family Resources may implement a transitional services plan for an individual receiving older youth foster care. It amends the definition of certain foster care terms to include an individual receiving older youth foster care. The bill also provides that restrictions on the number of individuals that can be supervised and cared for in a foster family home or a special needs foster family home exclude individuals receiving older youth foster care.

Effective Date: July 1, 2008.

Explanation of State Expenditures: The Department of Child Services (DCS) currently provides foster care past the age of 17 in certain circumstances. DCS does provide some services to foster youth between the ages of 17 and 21 from funds available in the Chafee Grant (see *Background Information*).

Any increase in state expenditures to provide a transitional program for foster youth will result to the extent that the Division of Family Resources (DFR) decides to make this program available and other administrative actions. The funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new

appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Background Information: The federal Chafee Foster Care Independence Program (CFCIP) is a grant that provides funds for the following; (1) case management services, (2) \$3,000 room and board until the age of 21, (3) Medicaid funds until age 21, (4) Education training vouchers of \$5,000 per year until the age of 23, and (5) \$1,000 emancipation services until the age of 21. In FFY 2004, Indiana received \$2.1 M in CFCIP grant funding to provide these services to foster children.

Currently, the state provides the Chafee Foster Care Independence Program that includes direct services for youth between the ages of 14 and 21 who are living in foster care or have aged out of the system. The funding for this program is to be used to transition foster children to self-sufficiency. Services include: (1) education, (2) training and related services, (3) preparation and obtaining employment, (4) preparation for and entry into post-secondary training and educational institutions, and (5) providing personal and emotional support to youth through mentors and the promotion of interactions with dedicated adults.

FSSA reverted \$13.9 M to the General Fund at the end of FY 2007, of which \$300 was reverted by DFR. Additionally, DCS reverted \$9.5 M to the General Fund that same year.

Explanation of State Revenues:

Explanation of Local Expenditures: Actual increases in local expenditures under the provisions of the bill will vary depending on the following variables; (1) the number of individuals that currently receive foster care and elect to receive care past the age of 18, (2) the number of years they elect to receive foster care between the ages of 18 and 21, (3) the cost of providing foster care to the individual, (4) other revenue sources that can be used to offset the cost of providing additional foster care, and (5) the number of individuals who meet the qualification criteria contained in the legislation.

Currently, counties provide a per diem salary to foster care providers from the County Family and Children's Fund. If additional individuals elect to receive foster care, this may increase the foster care facilities needed to house foster children. Actual increase in the demand for foster care is indeterminable.

(Revised) The increase of the population of individuals that can receive foster care past the age of 18 will result in expenditures primarily at the local level. DCS reports these individuals would not be eligible for federal funding to cover the costs of their foster care due to age limitations. The legislation provides that individuals that receive older youth foster care are not considered in count restrictions of individuals that can receive services in either special needs foster family homes or a foster home.

Explanation of Local Revenues:

State Agencies Affected: DFR, DCS.

Local Agencies Affected: Local foster care providers, County Office of Family and Children.

Information Sources: Ann Houseworth, DCS; Mary Edmonds, DCS.

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